

Guide for Review of Procurement			
Name of Program Participant:			
Staff Consulted:			
Name(s) of Reviewer(s)		Date	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding.**"

Instructions: This Exhibit is designed to assist the HUD reviewer to randomly select an appropriate sample of procurement transactions undertaken by the program participant (e.g., based on size of last grant, amount of time allocated for monitoring, results of pre-monitoring preparation). The HUD reviewer should evaluate the documentation related to the selected transactions and use this information to verify program participant responses to the questions in this Exhibit. If the program participant's accounting system includes information on contracts, purchase orders, etc. related to the grant program, it can be a convenient starting point for selecting a sample of procurement transactions to review.

Questions:

A. SAMPLE

Use the following table to list the selected sample of procurement transactions.				
Contractor	Amount Budgeted	Amount Obligated	Amount Expended	Procurement Method*
1.				
2.				
3.				
4.				
5.				
6.				
7.				

* Method of Procurement (24 CFR §85.36(d)): (1) small purchase; (2) sealed bids; (3) competitive proposals; (4) noncompetitive proposals.

B. SMALL PURCHASES [See 24 CFR 85.36(d)(1).]

2.

Can the program participant document receipt of an adequate number of price or rate quotations from qualified sources for procurements of \$100,000 or less? (Describe types of purchases and price or rate quotes received.) 24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
Describe Basis for Conclusion:		

C. SEALED BIDS [See 24 CFR 85.36(d)(1).]

3.

Summarize the program participant's formal sealed bid process.
Describe Basis for Conclusion:

4.

a. Does the program participant receive at least two or more responsible bids for each procurement transaction? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
Describe Basis for Conclusion:		

Exhibit 3-20
CDBG Entitlement Program

6509.2 REV-5

b. If the answer to “a” above is “no,” is this a systemic failure (i.e., the program participant’s system failed to work properly) or does it appear to be isolated failures in some cases?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion: 			

5.

Do the procurement transactions lend themselves to firm, fixed price contracts and can selection of the successful bidders be made principally on the basis of price? [24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

6.

Was the Invitation for Bids publicly advertised and were bids solicited from an adequate number of known suppliers, providing them sufficient time before the date set for opening the bids? [24 CFR 85.36(d)(2)(ii)(A) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: 		

7.

Do the IFBs, including specifications and pertinent attachments, clearly define the items or services needed in order for the bidders to properly respond to the invitation? [24 CFR 85.36(d)(2)(ii)(B) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

8.

Were all bids opened publicly at the time and place stated in the IFB? [24 CFR 85.36(d)(2)(ii)(C) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

9.

Were the contracts awarded to the lowest responsive and responsible bidders? [24 CFR 85.36(d)(2)(ii)(D) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

D. COMPETITIVE PROPOSALS [See 24 CFR 85.36(d)(3).]

10.

Is this procurement method used generally when conditions are not appropriate for the use of sealed bids? [24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

11.

Do the Requests For Proposals (RFPs) clearly and accurately state the technical requirements for the goods or services to be procured? [24 CFR 85.36(c)(3)(i) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion: 			

12.

Are the proposals solicited from an adequate number of qualified sources, consistent with the nature and requirements of the procurement? [24 CFR 85.36(d)(3)(ii) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion: 			

13.

Does the program participant publicize the RFPs and honor reasonable requests by parties to compete to the maximum extent practicable? [24 CFR 85.36(d)(3)(i) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion: 			

14.

Do the RFPs identify all significant evaluation factors, including price or cost where required, and their relative importance? [24 CFR 85.36(d)(3)(i) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

15.

Does the program participant:		
a. conduct technical evaluations of submitted proposals? [24 CFR 85.36(d)(3)(iii) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
b. determine responsible offerors from such evaluations? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
c. as necessary, conduct negotiations, written or oral, for final contract award? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
d. make awards to the most responsive and responsible offerors whose proposals will be most advantageous to the program participant after price and other factors are considered? [24 CFR 85.36(b)(8) and 24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

16.

If proposals involving architectural/engineering professional services are evaluated with respect to factors other than price, can the program participant document the basis for negotiation of fair and reasonable compensation? (See 24 CFR 85.36(f) and 24 CFR 85.36(d)(3)(v).) [24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion:	

17.

For procurement of architectural and engineering professional services, does the program participant maintain a list of qualified offerors who can respond to its RFPs? [24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes <input type="checkbox"/> No
Describe Basis for Conclusion:	

E. NONCOMPETITIVE PROPOSALS (See 24 CFR 85.36(d)(4))

18.

<p>If noncompetitive proposals were used, can the program participant show that other methods of procurement (small purchases, sealed bids, formal advertising, or competitive proposals) were infeasible because:</p> <ul style="list-style-type: none"> • the item was only available from a single source, • a public exigency or emergency is of such urgency to not permit a delay resulting from competitive solicitation, • after solicitation of a number of sources, competition is determined inadequate, or • HUD granted approval? <p>[24 CFR 570.502(a)(12)]</p>	<div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> </div> <div style="display: flex; justify-content: space-around;"> Yes No N/A </div>
<p>Describe Basis for Conclusion:</p>	

F. GENERAL PROVISIONS/PROCEDURES [See 24 CFR 85.36(b).]

19.

<p>a. Is the program participant ensuring that its awards are not made to any party excluded, disqualified or otherwise ineligible (e.g., suspension, debarment, or limited denial of participation) for Federal procurement and nonprocurement programs per 24 CFR 570.609?</p> <p>[24 CFR 570.609]</p>	<div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> <input type="checkbox"/> </div> <div style="display: flex; justify-content: space-around;"> Yes No </div>
<p>Describe Basis for Conclusion:</p>	
<p>b. Is there any evidence to indicate that the program participant funded excluded, disqualified, or otherwise ineligible parties?</p> <p>[24 CFR 570.502(a)(11) and 24 CFR 570.609]</p>	<div style="display: flex; justify-content: space-around;"> <input type="checkbox"/> <input type="checkbox"/> </div> <div style="display: flex; justify-content: space-around;"> Yes No </div>
<p>Describe Basis for Conclusion:</p>	

20.

For the procurement transactions selected for review, is there documentation showing:		
a. the selection of the method of procurement? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
b. the selection of contract type? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
c. contractor selection or rejection? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
d. the basis for the cost or price of the contract? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

21.

Is contract pricing always based on a method other than the "cost-plus-a-percentage-of-cost" method? [See 24 CFR 85.36(f)(4).] [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

22.

Are procurement procedures in place to ensure that:		
a. purchase orders and contracts are signed by an authorized program official? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
b. items delivered and paid for are consistent with the items contained in the corresponding purchase order and/or contract? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
c. timely payment of vendors occurs once requested, orders have been delivered, inspected and accepted and payment of the vendor has been approved? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
d. a cost or price analysis is performed in connection with every procurement action, including contract modifications? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
e. profit is negotiated as a separate element of price where price competition is lacking or a cost analysis is performed? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

23.

Are the contract provisions listed in 24 CFR 85.36(i) appropriately included in the grant-assisted contracts? [24 CFR 570.502(a)(12)]	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No
Describe Basis for Conclusion:		

24.

Does the program participant have a written code of conduct governing employees, officers or agents engaged in the award and administration of contracts supported by grant funds? [24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

25.

Can the program participant document a system of contract administration for determining the adequacy of contractors' performance? [24 CFR 570.502(a)(12)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		

26.

How does the program participant show that its subgrantees are required to follow applicable procurement policies and procedures in the administration of their contracts and purchase orders? [24 CFR 570.502(a)(12)]
Describe Basis for Conclusion:

27.

If the program participant uses prequalified lists, are such lists current, developed through an open solicitation process without overly restrictive criteria, and include an adequate number of qualified sources? [24 CFR 570.502(a)(12)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

G. BONDING AND INSURANCE [See 24 CFR 85.36(h).]

28.

If contracts have been awarded for construction or facility improvements under the grant program(s), does the program participant follow its own requirements relating to bid guarantees, performance bonds and payment bonds for construction contracts or subcontracts valued at or below \$100,000? [24 CFR 570.502(a)(12)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

29.

If contracts have been awarded for construction or facility improvements under the grant program(s), does the program participant meet the minimum Federal requirements for bid guarantees, performance bonds and payment bonds (see 24 CFR §85.36(h)) for construction contracts or subcontracts valued above \$100,000? [24 CFR 570.502(a)(12)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

H. CONTRACTING WITH SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS [See 24 CFR 85.36(e).]

30.

Is the program participant taking affirmative steps to use small, minority-owned and women-owned businesses in grant funded contracts such as: [24 CFR 570.502(a)(12)]	
a. including such businesses on solicitation lists whenever they are potential sources?	<input type="checkbox"/> <input type="checkbox"/> Yes No
b. ensuring that such businesses, when identified, are solicited whenever they are potential sources?	<input type="checkbox"/> <input type="checkbox"/> Yes No
c. dividing procurement requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such businesses?	<input type="checkbox"/> <input type="checkbox"/> Yes No
d. requiring prime contractors when subcontracts are let, to take affirmative steps to select small, minority-owned and women-owned businesses in grant-funded contracts?	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

31.

If the program participant is not taking the steps identified in the question above, list the actions the program participant is taking to meet 24 CFR 85.36(e) requirements that affirmative steps be taken to assure use of small, minority-owned and women-owned businesses when possible.
Describe Basis for Conclusion: